

# STATE OF COLORADO

## Colorado Water Conservation Board Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

**FROM:** Anna Mauss, P.E., Project Manager  
Kirk Russell, P.E., Chief  
Finance Section

**DATE:** November 5, 2012

**SUBJECT:** **Consent Agenda Item 3c, November 13-14, 2012 Board Meeting**  
**Finance – Loan Deauthorizations**  
**South Metro Water Supply Authority – Water Supply Pipeline Capacity**  
**Acquisition Project**

John W. Hickenlooper  
Governor

Mike King  
DNR Executive Director

Jennifer L. Gimbel  
CWCB Director

### Background

The South Metro Water Supply Authority loan request for the Water Supply Pipeline Capacity Acquisition Project was originally approved at the March 2009 Board meeting. The project was to purchase excess capacity in the East Cherry Creek Valley Northern Supply Pipeline. The project was expected to aid Authority members (13 independent water providers in southern metro Denver) in reducing dependence on groundwater aquifers. Prior to executing a contract with the CWCB, the Authority chose to investigate other renewable water projects to meet the needs of its members. See attached letter from Eric Hecox, South Metro Water Supply Authority Executive Director, dated October 23, 2012.

### Staff Recommendation

Staff recommends that the Board deauthorize the following loans:

	Borrower	Project	Approval Amount	Approval Date	Account	Contract Number
c)	South Metro Water Supply Authority	Water Supply Pipeline Capacity Acquisition Project	\$5,090,400	March 17, 2009	Construction Fund	C150289



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October 23, 2012

Colorado Water Conservation Board  
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Attention: Jennifer Gimbel, Director CWCB

Please consider this letter as notice to the Colorado Water Conservation Board that the South Metro Water Supply Authority (SMWSA) is no longer in need of the \$5,090,400 loan from the Construction Fund. Originally, this loan approved March 2009 from the CWCB was to assist SMWSA in purchasing additional capacity in East Cherry Creek Valley's Northern Pipeline. The direction of SMWSA for renewable water projects shifted away from the ECCV Northern line before negotiations were completed.

The CWCB's assistance in granting loans for water infrastructure projects is an extremely valuable resource to our local communities. Thank you for your continued support in meeting Colorado's water supply needs through CWCB's loan and grant programs.

Best,

Eric Hecox, Executive Director  
South Metro Water Supply Authority

Cc: SMWSA Board of Directors